

Michael Godfrey, one of the most active organizers of the bank and the first Deputy Governor ; Queen Mary ; the Duke of Leeds, the Duke of Devonshire, the Earl of Portland, the Countess of Carlisle, Lord Godolphin, Lady Ann Mason, Sir Stephen Fox, and Sir John Trenchard. The new bank began the discharge of its pledges to the government by paying into the Exchequer £112,000 in bank-bills, sealed with the seal of their corporation, which bore the figure of Britannia sitting on a bank of money.<sup>1</sup> The business of the bank was described by Godfrey, who wrote a tract in its support, as follows :

They lend money on mortgages and real securities at five per cent. per annum. If the titles of land were made more secure, money would be lent on land at four per cent, per annum, and in time of peace at three per cent. Foreign bills of exchange are discounted at four and a-half per cent. ; inland bills and notes for debts at six per cent. They who keep their cash in the bank have the first of these discounted at three per cent, and the other at four and a-half. Money is lent on pawns of such commodities as are not perishable at five per cent, and on the Fund of the City of London Orphans at five per cent.<sup>2</sup>

The stock of the bank was at par on December 13, 1695, little more than a year after it began actual operation, but within the next two years it had to deal with a combination of difficulties which caused the suspension of specie payments, and required all the courage and ability of the directors to surmount. The bank was essentially a Whig institution and a representative of the commercial interests of London; and it encountered the same sort of jealous hostility from the landed interest which has prevailed in more recent times against the moneyed interests of "Wall Street" and " Lombard Street." The fate of the bank was so closely bound up with that of the Revolutionary government that it was compelled to lend its support on all occasions of emergency, or run the risk of seeing the entire debt, due by the government repudiated by the restoration of the

<sup>1</sup> Rogers, *The First Nine Years of the Bank of England*, 3.

<sup>2</sup> Rogers, 20.